

WEST ST. MARY PARISH PORT, HARBOR  
AND TERMINAL DISTRICT  
St. Mary Parish, Louisiana  
GENERAL PURPOSE FINANCIAL STATEMENTS

Year Ended December 31, 2009

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the state and court appropriate public officials. This report is available for public inspection at the State Records office of the U.S. Department of Justice and, where appropriate, at the office of the presiding court.

Revised Date: 1/20/02

WEST ST. MARY PARISH PORT, HARBOR AND TERMINAL DISTRICT  
ST. MARY PARISH, LOUISIANA

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### INDEPENDENT AUDITORS' REPORT

The Board of Commissioners  
West St. Mary Parish Port,  
Harbor and Terminal District  
Franklin, Louisiana

We have audited the accompanying general purpose financial statements of the West St. Mary Parish Port, Harbor and Terminal District, as of and for the year ended December 31, 2002, as listed in the table of contents. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the West St. Mary Parish Port, Harbor and Terminal District as of December 31, 2002, and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated June 6, 2003 on our consideration of the West St. Mary Parish Port, Harbor and Terminal District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, and contracts. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Gudry & Chauvin, CPAs  
Certified Public Accountants

Franklin, Louisiana  
June 6, 2003

## GENERAL PURPOSE FINANCIAL STATEMENTS

WEST ST. MARY PARISH PORT, HARBOR, AND TERMINAL DISTRICT  
BALANCE SHEETS  
December 31, 2002 and 2001

	<u>2002</u>	<u>2001</u>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash-interest bearing deposits	\$ 24,878	\$ 13,828
Investments	589,565	551,580
Receivables:		
Ad valorem taxes	408,348	391,040
State revenue sharing	19,436	18,348
Other	85,852	84,588
Prepaid insurance	5,872	4,272
Total current assets	<u>1,129,191</u>	<u>973,656</u>
<b>Restricted assets:</b>		
Certificates of indebtedness sinking fund		
Cash	<u>5,490</u>	<u>4,817</u>
<b>Property, plant and equipment:</b>		
Cost	12,828,981	12,188,008
Less: accumulated depreciation	<u>(3,493,481)</u>	<u>(3,181,238)</u>
Net property, plant and equipment	<u>9,335,500</u>	<u>9,006,770</u>
Total assets	<u>\$ 10,164,691</u>	<u>\$ 9,985,484</u>

The accompanying notes are an integral part of these statements.

WEST ST. MARY PARISH PORT, HARBOR, AND TERMINAL DISTRICT  
BALANCE SHEETS (Continued)  
December 31, 2002 and 2001

	<u>2002</u>	<u>2001</u>
<b>LIABILITIES AND FUND EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 18,232	\$ 11,328
Accrued expenses	17,769	15,543
Deferred revenues	<u>3,213</u>	<u>-</u>
Total current liabilities	<u>39,214</u>	<u>26,871</u>
<b>Payable from restricted assets</b>		
Certificates of indebtedness		
Payable within one year	45,000	40,000
Accrued interest on certificate	<u>2,525</u>	<u>2,459</u>
Total payable from restricted assets	<u>47,525</u>	<u>42,459</u>
<b>Long-term liabilities</b>		
Certificates of indebtedness - 1994	30,000	40,000
Certificates of indebtedness - 1996	<u>45,000</u>	<u>40,000</u>
Total long-term liabilities	<u>75,000</u>	<u>120,000</u>
<b>Total liabilities</b>	<u>161,739</u>	<u>169,330</u>
<b>Fund equity</b>		
Contributed capital		
Individuals	3,244,019	3,244,019
Other governments	<u>5,572,856</u>	<u>5,257,487</u>
Total contributed capital	<u>8,816,875</u>	<u>8,501,506</u>
Retained earnings	<u>1,585,415</u>	<u>1,258,766</u>
Total fund equity	<u>10,402,290</u>	<u>9,760,272</u>
<b>Total liabilities and fund equity</b>	<u>\$ 10,180,501</u>	<u>\$ 9,890,482</u>

The accompanying notes are an integral part of these statements.

WEST ST. MARY PARISH PORT, HARBOR, AND TERMINAL DISTRICT  
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS  
Years Ended December 31, 2002 and 2001

	<u>2002</u>	<u>2001</u>
Operating revenues:		
Rentals	\$ 187,487	\$ 148,821
Other	<u>1,300</u>	<u>13,434</u>
Total operating revenues	<u>188,787</u>	<u>162,255</u>
Operating expenses:		
Advertising and promotion	13,408	16,567
Auto expense	11,201	8,829
Depreciation	320,838	303,768
Dues and subscriptions	8,314	4,737
Employee retirement	10,368	10,783
Insurance	86,808	42,870
Miscellaneous	4,213	1,813
Office supplies	8,482	8,442
Postage	682	717
Professional fees	62,989	73,447
Repairs and maintenance	27,529	58,483
Salaries	112,043	118,789
Payroll taxes	7,485	7,483
Telephone	4,786	8,388
Travel	24,833	22,183
Utilities	<u>8,982</u>	<u>8,388</u>
Total operating expenses	<u>694,434</u>	<u>673,352</u>
Operating loss	<u>(505,647)</u>	<u>(511,097)</u>
Non-operating revenues (expenses):		
Ad valorem taxes	386,434	373,871
State revenue sharing	20,145	20,388
Interest income	10,888	26,333
Interest expense	(8,854)	(9,217)
Intergovernmental agreement	<u>-</u>	<u>-</u>
Total non-operating revenues (expenses)	<u>408,213</u>	<u>411,365</u>
Net loss	<u>(94,432)</u>	<u>(94,482)</u>
Add: Depreciation on fixed assets acquired by grants externally restricted for capital acquisition and construction that reduces contributed capital	<u>258,145</u>	<u>244,534</u>
Increase in retained earnings	214,713	150,662
Retained earnings, beginning of year	<u>1,288,736</u>	<u>1,138,664</u>
Retained earnings, end of year	<u>\$ 1,503,418</u>	<u>\$ 1,289,706</u>

The accompanying notes are an integral part of these statements.

WEST ST. MARY PARISH PORT, HARBOR AND TERMINAL DISTRICT  
STATEMENTS OF CASH FLOWS  
Years Ended December 31, 2002 and 2001

	<u>2002</u>	<u>2001</u>
Cash flows from operating activities:		
Operating loss	\$(475,647)	\$(511,647)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	329,008	302,786
(Increase) decrease in accounts receivable	(101,082)	2,158
(Increase) decrease in prepaid expenses	(752)	(284)
Increase (decrease) in accounts payable	7,987	5,687
Increase (decrease) in accrued expenses	2,180	3,448
Increase (decrease) in deferred revenues	3,001	(228)
Net cash used by operating activities	<u>(244,374)</u>	<u>(187,875)</u>
Cash flows from non-capital financing activities:		
Ad valorem taxes	589,424	573,671
State revenue sharing	29,148	29,388
Interest received	12,506	26,323
Capital grant-State of Louisiana	<u>274,388</u>	<u>303,262</u>
Net cash provided by non-capital financing activities	<u>713,857</u>	<u>713,854</u>
Cash flows from capital and related financing activities:		
Purchase of fixed assets	(372,247)	(462,529)
Principal payments on certificates of indebtedness	(48,800)	(34,000)
Interest payments on certificates	<u>(7,700)</u>	<u>(3,191)</u>
Net cash used for capital and related financing activities	<u>(419,253)</u>	<u>(487,890)</u>
Net increase in cash and equivalents	49,430	83,308
Cash and equivalents, beginning of year	<u>282,902</u>	<u>489,594</u>
Cash and equivalents, end of year	<u>\$ 332,332</u>	<u>\$ 569,602</u>
Summary of cash and equivalents -		
Balance Sheet Classifications:		
Cash - interest bearing deposits	\$ 24,578	\$ 13,036
Investments - LMAF	568,269	557,280
Restricted cash - Sinking fund	<u>3,485</u>	<u>4,277</u>
	<u>\$ 616,332</u>	<u>\$ 569,602</u>

The accompanying notes are an integral part of these statements.



WEST ST. MARY PARISH PORT, HARBOR AND TERMINAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2002

INTRODUCTION

The District was established in 1956 by Act of the Louisiana legislature to develop and operate a port and related facilities serving the western portion of St. Mary Parish. It is the intent of the District to develop a port, harbor facility and industrial zone and that a substantial portion of the costs of operations of these facilities be ultimately borne by revenue derived from user charges.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the West St. Mary Parish Port, Harbor and Terminal District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

The Governmental Accounting Standards Board has issued GASB Statement No. 14, establishing criteria for determining the governmental reporting entity and component units which should be included within the reporting entity. The reporting entity includes the governing authority (primary government) which is the component unit with financial accountability and any other governmental entities for which the primary government has financial accountability. Financial accountability is determined on the basis of the following criteria:

1. Financial benefit or burden
2. Appointment of a voting majority
3. Imposition of will
4. Financially dependent

Based on the previous criteria, the District has determined that it has no component units.

In accordance with GASB Statement No. 14, the St. Mary Parish Council, City of Franklin, and Town of Baldwin are considered to be related organizations to the District as they appoint members to the board of the District. Financial accountability does not exist between the previously stated entities and the District because they do not impose their will or have a financial benefit or burden relationship with the District.

These financial statements include all funds and account groups of the District, the reporting entity.

C. FUND ACCOUNTING

The West St. Mary Parish Port, Harbor and Terminal District is organized and operated on a fund basis whereby a self-balancing set of accounts (Enterprise Fund) is maintained that comprises its assets, liabilities, fund equity, revenues, and expenses. The operations are financed and operated in a manner similar to a private business enterprise, where the intent of the governing body is that the cost/expenses, including depreciation of providing services on a continuing basis be financed or recovered primarily through user charges.

WEST ST. HARRY PARISH PORT, HARBOR AND TERMINAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

December 31, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**D. BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied in a fund is determined by its measurement focus. The Enterprise Fund is accounted for on a flow-of-economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of this fund is included on the balance sheet. The Enterprise Fund uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. The Enterprise Fund uses the following practices in recording certain revenues and expenses:

**Revenues:** Lease rentals are recorded when earned. Ad valorem taxes and state revenue sharing are recorded in the year the taxes are due and payable. Interest income is recorded when earned. All other revenues are recorded when earned.

**Expenses:** Expenditures are recorded in the period that the liabilities are incurred.

**E. ENCUMBRANCES**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded to reserve that portion of the applicable appropriation is not employed by the District.

**F. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Under state law, the District may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Under state law, the District may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; otherwise, they are classified as cash equivalents.

**G. PREPAID EXPENSES**

Payments made to insurance companies for yearly policies that will benefit future periods are recorded as prepaid insurance. At December 31, 2002, the balance of prepaid insurance was recorded as \$5,022.

**H. RESTRICTED ASSETS**

Certain proceeds of Enterprise Fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

WEST ST. AMY PARISH PORT, HARBOR AND TERMINAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

December 31, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**I. FIXED ASSETS**

Fixed assets used in the proprietary fund type operations are valued at historical costs. Depreciation of all exhaustible fixed assets used by the proprietary fund type operations is charged as an expense against operations. Fixed assets on the balance sheet are net of accumulated depreciation. Depreciation is computed using the straight-line method based on the estimated useful lives of the various assets as follows:

Buildings	25 years
Improvements	10 - 25 years
Furniture and equipment	5 - 10 years

**J. DEFERRED REVENUE**

Revenues collected at December 31, 2002 that are not available to finance the operations of the current period are reported as deferred revenues and are recognized as spending revenues in the subsequent period.

**K. COMPENSATED ABSENCES**

Employees earn vacation and sick leave annually at varying rates depending upon length of service. Accrued unused annual leave shall be carried forward to the succeeding calendar years without limitation.

Upon termination, an employee is compensated for accumulated vacation time up to 200 hours, but employees are not compensated for sick time.

The liability related to this accumulated vacation time totaled \$10,726 at December 31, 2002.

**L. LONG-TERM LIABILITIES**

Long-term liabilities are recognized within the Enterprise Fund.

**M. FUND EQUITY**

**Contributed Capital**

Grants, entitlements, or shared revenues received that are restricted for the acquisition or construction of capital assets are recorded as contributed capital. Contributed capital is amortized based on the depreciation recognized on that portion of the assets acquired from such contributions. This depreciation is closed to the contributed capital account and is reflected as an adjustment to net income.

**Reserves**

Reserves represent those portions of fund equity legally segregated for a specific future use.

WEST ST. HARY PARISH PORT, HARBOR AND TERMINAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONT.)  
December 31, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make certain estimates and assumptions. These estimates affect the reported amounts of assets and liabilities.

O. COMPARATIVE DATA

Comparative data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations.

NOTE 2 - CASH AND CASH EQUIVALENTS

At December 31, 2002, the District had cash and cash equivalents (bank balances) totaling \$20,060, all of which were demand deposits.

The deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank in a holding of custodial form that is mutually acceptable to both parties. At December 31, 2002, the District had \$20,548 in deposits (pledged bank balances). These deposits are secured from risk by \$20,548 of federal deposit insurance.

NOTE 3 - INVESTMENTS

The District can invest in securities of the United States Government unless such an investment is expressly prohibited by law. The carrying amounts and approximate market values of investments at December 31, 2002 are summarized as follows:

Description	Interest Rate	Market Value/ Carrying Amount	Cost
Louisiana Asset Management Pool	Various	\$ 580,255	\$ 580,255

Investments in the amount of \$580,255 at December 31, 2002 are in the Louisiana Asset Management Pool (LAMAP), a local government investment pool. In accordance with GASB Codification Section 110.185, the investment in LAMAP is not categorized in the three risk categories provided by GASB Codification Section 120.184 because the investment is in the pool of funds and thereby not evidenced by securities that exhibit physical or book entry form. LAMAP is administered by LAMAP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, and is governed by a board of directors comprised of representatives from various local governments and statewide professional organizations. Only local governments having contracted to participate in LAMAP have an investment interest in its pool of assets. The primary objective of LAMAP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMAP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMAP investments are restricted

# WEST ST. MARY PARISH PORT, HARBOR AND TERMINAL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS (CONT.)

December 31, 2002

### NOTE 3 - INVESTMENTS (CONTINUED)

to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or on of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 387 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balance.

### NOTE 4 - RECEIVABLES

The District records ad valorem and state revenue sharing in the year the tax is due and payable. At December 31, 2002 ad valorem and state revenue receivables were \$460,348 and \$16,436, respectively. Also, lease rentals are recorded when earned. The lease rental receivable at December 31, 2002 was \$16,980. Additionally at December 31, 2002, the District recorded insurance proceeds receivable in the amount of \$13,883. The insurance proceeds were due as a result of input expenses incurred by the District in the aftermath of Tropical Storm Isidore and Hurricane Lil which impacted the region in October 2002.

The District recognizes uncollectible amounts on the direct write-off method. Therefore, no reserve for uncollectible accounts is recorded at December 31, 2002. The District believes that uncollectible accounts, if any, are immaterial.

### NOTE 5 - AD VALOREM TAXES

The District's property tax is levied in October of each year on the assessed value of property within the District's taxing area. Taxes are due and payable by December 31. The taxes are delinquent after January 1, at which time an enforceable lien attaches to the property. The taxes are collected on behalf of the District by the St. Mary Parish Sheriff and then remitted to the District. The District receives the majority of its taxes in January and February. The tax rate for the year ended December 31, 2002 was 4.57 mills on the dollar of the assessed valuation of all taxable property in the present boundaries of the District.

### NOTE 6 - PROPERTY, PLANT AND EQUIPMENT

The following is a summary of changes in general fixed assets:

	Balance December 31, 2001	Additions	Deletions	Balance December 31, 2002
Land	\$ 1,685,217	\$ -	\$ -	\$ 1,685,217
Buildings	1,782,744	813,231	-	2,595,975
Improvements	8,980,844	-	-	8,980,844
Furniture and fixtures	43,694	-	-	43,694
Equipment	84,878	-	1,785	83,093
Construction in progress	480,622	373,247	813,231	9,48
Subtotal	12,158,095	1,186,468	814,985	12,529,578
Less: accumulated depreciation	(3,191,234)	(328,908)	1,785	(3,489,407)
Total	\$ 8,966,861	\$ 857,560	\$ 816,791	\$ 9,048,160

# WEST ST. MARY PARISH PORT, HARBOR AND TERMINAL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS (CONT.)

December 31, 2002

### NOTE 6 - PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation expense related to the utilization of fixed assets for the year ended December 31, 2002, was \$329,938.

### NOTE 7 - LEASES

The District has available for lease all of its land, buildings, and improvements at the port site.

At December 31, 2002, the minimum future rentals on the District's leases are as follows:

2003	\$271,523
2004	208,890
2005	197,960
2006	124,848
2007	72,880
	<u>\$876,101</u>

The leasing arrangements vary based on the operations of the tenant and may be either short-term or long-term in nature.

### NOTE 8 - LONG-TERM DEBT

The following is a summary of the District's long-term debt transactions for the year ended December 31, 2002:

Bonds payable, December 31, 2001	\$180,000
Bonds issued	"
Bonds matured	<u>(140,000)</u>
Bonds payable, December 31, 2002	<u>\$120,000</u>

The long-term debt at December 31, 2001 are comprised of the following individual issues:

Certificates of indebtedness payable to Regions Bank, bearing interest at 6.25 percent per annum, payable in semi-annual installments, with final payment due in February 2004, payable from restricted assets	\$ 80,000
Certificates of indebtedness payable to Pullerston State Bank, bearing interest at 6.25 percent per annum, payable in semi-annual installments, with final payment due in February 2005, payable from restricted assets	<u>40,000</u>
Total certificates of indebtedness	<u>\$120,000</u>

WEST ST. MARY PARISH PORT, HARBOR AND TERMINAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

December 31, 2002

NOTE 8 - LONG-TERM DEBT (CONTINUED)

The following is a schedule of debt service requirements:

Year Ended December 31,	Principal	Interest	Total
2003	\$ 45,000	\$ 5,361	\$ 50,361
2004	45,000	5,844	50,844
2005	15,000	1,204	16,204
2006	15,000	431	15,431
	<u>\$ 120,000</u>	<u>\$ 12,840</u>	<u>\$ 132,840</u>

The District is subject to certain positive and negative covenants related to their certificates of indebtedness, including but not limited to the transfer of certain funds to a sinking fund account on a monthly basis and a limitation as to the issuance of future debt.

NOTE 9 - CONTRIBUTED CAPITAL - INDIVIDUALS

Contributed capital consists of land and a channel which were donated by various individuals and corporations for development of the port facility.

Year Completed	Description	Land Value	Channel Value	Total Value
1994	Channel	\$ -	\$ 350,000	\$ 350,000
Various	100 acres	473,819	-	473,819
1998	80 acres	1,280,000	-	1,280,000
1999	120 acres	1,037,200	-	1,037,200
2000	10 acres	104,000	-	104,000
		<u>\$ 2,894,019</u>	<u>\$ 350,000</u>	<u>\$ 3,244,019</u>

NOTE 10 - CONTRIBUTED CAPITAL - OTHER GOVERNMENTS

Changes in the District's contributed capital - other governments during the year were as follows:

Balance, December 31, 2001	\$ 5,297,407
Capital grant - State of Louisiana	214,588
Depreciation of fixed assets acquired with contributed capital	<u>(266,148)</u>
Balance, December 31, 2002	<u>\$ 5,245,848</u>

NOTE 11 - COMPENSATION OF COMMISSIONERS

The Commissioners of the District received no per diem, salaries, or wages for the year ended December 31, 2002.

WEST ST. MARY PARISH PORT, HARBOR AND TERMINAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

December 31, 2002

NOTE 12 - RETIREMENT PLANS

Employees of the District are covered under the Federal Insurance Contributions Act (Social Security). The District makes the required contributions to the Fund and is not responsible for the benefits.

Also, effective January 1, 1986, the District adopted a Simplified Employee Pension plan for all eligible employees. The District has selected the pro rata allocation formula for contributions. Employer contributions made for a plan year on behalf of any participant shall not exceed the lesser of 15% of compensation or the limitation in effect under Code Section 415(c)(1)(A), which was \$28,000 for 2002.

The District contributed 10% of each employee's salary for a total of \$10,960 in 2002.

NOTE 13 - RISK MANAGEMENT

The West St. Mary Parish Port, Harbor and Terminal District is exposed to various risks of loss related to theft, theft, or damage to assets, errors and omissions, injuries to employees and natural disasters. The West St. Mary Port has purchased commercial insurance to protect against loss from substantially all of these perils.

There were no significant reductions in insurance coverages from prior years.

NOTE 14 - SUBSEQUENT EVENTS

On March 15, 2002, the West St. Mary Parish Port, Harbor and Terminal District entered into a Cooperative Endorsement Agreement with the State of Louisiana to set forth the terms for administering the "Water System, Planning and Construction" payable from General Obligation Bonds, in the amount of \$650,000, as per RSCC Project No. 98-P24-019-01. The Port was approved by the Economic Development Administration (EDA) for a financial assistance award in the amount of \$200,000 in federal matching funds. These funds along with the state funds will be used to construct a portable water treatment and distribution system to serve commercial and residential customers. As of December 31, 2002, construction of the water system had not yet commenced.



## INTERNAL CONTROL AND COMPLIANCE

## GUIDRY, CHAUVIN & TAYLOR

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### REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners  
West St. Mary Parish Port, Harbor  
and Terminal District  
Franklin, Louisiana

We have audited the general purpose financial statements of West St. Mary Parish Port, Harbor and Terminal District as of and for the year ended December 31, 2003, and have issued our report thereon dated June 5, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

#### Compliance

As part of obtaining reasonable assurance about whether West St. Mary Parish Port, Harbor and Terminal District's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which would have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered West St. Mary Parish Port, Harbor and Terminal District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk of misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Report on Compliance and  
on Internal Control  
June 8, 2003  
Page Two

This report is intended solely for the information and use of the Port's management and state  
overseeing agencies and is not intended to be and should not be used by anyone other than these  
specified parties.

**Giddry & Chauvin, CPA's**  
Certified Public Accountants

Franklin, Louisiana  
June 8, 2003

WEST SE. MARY PARISH PORT, HARDWARE AND TERMINAL DISTRICT

Summary Schedule of Prior Year Findings

Year Ended December 31, 2002

There were no findings noted in the prior year audit.

WEST ST. MARY PARISH PORT, HARDWARE AND TERMINAL DISTRICT

Schedule of Findings and Questioned Costs  
Year Ended December 31, 2002

Part 1 Summary of Auditor's Results

**FINANCIAL STATEMENTS**

Auditor's Report -- Financial Statements

An unqualified opinion has been issued on the District's general purpose financial statements as of and for the year ended December 31, 2002.

Reportable Conditions -- Financial Statements

There were no reportable conditions in internal control over financial reporting disclosed during the audit of the financial statements.

Material Noncompliance -- Financial Reporting

There were no material instances of noncompliance noted during the audit of the financial statements.

**FEDERAL AWARDS**

This section is not applicable for the year ended December 31, 2002.

Part 2 Findings Relating to an Audit in Accordance with Government Auditing Standards

There were no findings noted.

Part 3 Findings and Questioned Costs Relating to Federal Programs

At December 31, 2002, the District did not meet the requirements to have a single audit in accordance with OMB Circular A-133, therefore this section is not applicable.

(This form is an unclassified informational document prepared by management of the agency.)

LEGISLATIVE REPORT  
BY FIVE HOUR LA 1989

# DATA COLLECTION FORM

## FOR REPORTS ON STATE AND LOCAL GOVERNMENT AND QUASI-PUBLIC ENTITIES

Goal Form 1000-0007 may be used as a substitute for this form.

Date Submitted: 6/11/89

REPORT TO: Legislative Auditor  
AEC Engagement/Processing  
Post Office Box 14097  
Austin, Texas 78761-0097

### 1. Fiscal Year Ending Date For This Submission

12/31/88

### 2. Audit Period Covered

☒ Annual ☐ Biennial

☐ Other

### 3. AUDITEE INFORMATION

Auditee Name

WEST COAST AVIATION CORP., AIRCRAFT TERMINAL CONTRACT

Street Address (Number and Street)

10001 WEST 18TH ST

Mailing Address (PO No.)

PO BOX 604

City

San Jose

State

CA

Zip

95128

Auditee Contact

Name

PHILIP J. JAMES

Title

CEO

Telephone

408-282-0418

Fax

408-282-0418

Email (Optional)

### 4. TYPE OF REPORT

☐ Single Audit ☐ SAC Audit Standards Audit

☐ Compilation ☐ Compilation/Restatement

☐ Program Audit ☐ Other

### 5. AUDITOR INFORMATION

Firm Name

GRANT, ROTH & TAYLOR, CPAs

Street Address (Number and Street)

1010 MAIN STREET

Mailing Address (PO No.)

PO BOX 1000

City

San Jose

State

CA

Zip

95110

Auditor Contact

Name

MICHAEL J. GRANT

Title

CPA

Telephone

408-282-0270

Fax

408-282-0290

Email (Optional)

Component units included within the Report and to which the Separate Report will be issued:

If there are no modifications to the auditor's financial opinion, no reported deficiencies in internal control, no reported instances of noncompliance, and no management letter, check this box and do not complete the rest of the form. ☒

### 6. FINANCIAL STATEMENTS

a. Type of audit report on financial statements: ☐ Not Applicable

☐ Unqualified Opinion ☐ Qualified Opinion ☐ Adverse Opinion ☐ Disclaimer of Opinion

b. Is a going concern explanatory paragraph included in the audit report? ☐ Yes ☐ No

c. Details of the basis for audit opinion? ☐ Yes ☐ No

### 7. INTERNAL CONTROLS

Do the comments on internal control include: ☐ material weaknesses ☐ other conditions

### 8. COMPLIANCE

Do the comments on compliance include: ☐ material weaknesses ☐ other conditions ☐ not applicable

### 9. CURRENT YEAR MANAGEMENT LETTER (Filing Caption and No.)

Reviewed ☐ Yes ☐ No ☐ No Longer Applicable

Reviewed ☐ Yes ☐ No ☐ No Longer Applicable

Reviewed ☐ Yes ☐ No ☐ No Longer Applicable

Reviewed ☐ Yes ☐ No ☐ No Longer Applicable

Reviewed ☐ Yes ☐ No ☐ No Longer Applicable

Reviewed ☐ Yes ☐ No ☐ No Longer Applicable

Reviewed ☐ Yes ☐ No ☐ No Longer Applicable

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Reviewed ☐ Yes ☐ No ☐ No Longer Applicable

Reviewed ☐ Yes ☐ No ☐ No Longer Applicable

Reviewed ☐ Yes ☐ No ☐ No Longer Applicable

Reviewed ☐ Yes ☐ No ☐ No Longer Applicable

Reviewed ☐ Yes ☐ No ☐ No Longer Applicable

AUDITEE SIGNATURE



Date 6-11-89